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FISCAL IMPACT REPORT

ORIGINAL DATE 2/14/2007

SPONSOR Taylor LAST UPDATED _____ HB _____

SHORT TITLE International Vehicle Title Issues SB 346

ANALYST Schuss

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY07	FY08	FY09		
	Unknown	Unknown	Recurring	General

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From
Department of Public Safety (DPS)

Did Not Respond
Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of Bill

Senate Bill 346 amends Section 66-3-1 NMSA 1978 (Vehicles Subject to Registration; exceptions) to address the issue of title and registration of vehicles owned by a carrier that is from a jurisdiction that is not a participant in the International Fuel Tax Agreement, that is authorized by the United States government to conduct cross-border operations beyond the commercial border zone pursuant to the provisions of the North America Free Trade Agreement and that identifies New Mexico as the carrier's base jurisdiction.

SB 346 declares an emergency

FISCAL IMPLICATIONS

An analysis from TRD will be necessary to determine if there will be an impact, and if so, how significant the impact will be.

SIGNIFICANT ISSUES

Section 66-3-1 NMSA 1978 (Vehicles Subject to Registration; exceptions) is amended to state that a certificate of title is not required for a vehicle type subject to registration owned by a carrier that is from a jurisdiction that is not a participant in the International Fuel Tax Agreement, that is authorized by the United States government to conduct cross-border operations beyond the commercial border zone pursuant to the provisions of the North America Free Trade Agreement and that identifies New Mexico as the carrier's base jurisdiction. The bill also exempts these vehicle types from making application for registration and a certificate of title.

DPS notes that the provisions in NAFTA do not allow carriers go beyond the Commercial Border Zone due to Mexico not being part of the International Registration Plan (IRP) and the International Fuel Tax Agreement (IFTA).

ADMINISTRATIVE IMPLICATIONS

According to DPS, the administrative implications will be to ensure compliance with the NM Weight Distance Tax on a quarterly basis.

BS/mt